

Exh. UES-7

UNITIL ENERGY SYSTEMS, INC.

DE 09-236

ORIGINAL
Case No. DE 09-236
Exhibit No. UES # 7
Witness

DATA REQUESTS FROM COMMISSION STAFF - SET #1

FROM FILE

PETITION TO ISSUE SECURITIES

Data Request Received: 12/7/09

Date of Response: 12/16/09

Request No. Staff 1-2

Witness: David Chong

Request:

Reference Chong testimony, page 6 of 16. The chart on that page states that \$16,696,000 of the funds will be used to repay short-term debt and \$2,754,000 will be for general corporate purposes.

- a. Please provide a list of the capital additions that are summarized by account number on Schedule DLC-6.
- b. Please provide UES' most recent capital budget.
- c. Is it correct to say that the bondable additions are those capital additions placed in service subsequent to UES' last bond issuance? If not, please explain.
- d. Is it correct to say that the list of capital additions requested in subsection a. of this question represents the capital additions that have been funded with the short-term debt UES is now seeking to repay? If not, please explain.
- e. Please explain what is meant by "general corporate purposes."

Supplemental Response:

- a. See Staff 1-2(a) attachments for the monthly capital additions from September 1, 2006 through September 30, 2009 for both Unitil Energy System divisions that are summarized by account number on Schedule DLC-6. Due to its large size, Attachment 2 is being provided on CD only. A summary schedule Staff 1-2(a) Attachment 1 has been supplied to show the additions by year, which tie back to the Plant Investment Ledger ending balances by year.

UNITIL ENERGY SYSTEM, INC-SEACOAST DOC
BONDABLE ADDITIONS

DE 09-236
Unitil Energy Systems, Inc.
Staff 1-2(a) Attachment 1
Page 1 of 3

ACCOUNT SUMMARY
FROM: 8/31/06 TO: 9/30/2009

	8/31/2006 ADDITIONS	12/31/2006 ADDITIONS	12/31/2007 ADDITIONS	12/31/2008 ADDITIONS	9/30/2009 ADDITIONS	TOTAL ADDITIONS	
TRANSMISSION & DISTRIBUTION PLANT							
301 Organization	0.00					0.00	
303.0 Intangible Software - Five Year	36,989.13	38,080.77	129,622.73	96,061.81	53,367.48	280,143.66	EXCLUDE
303.1 Intangible Software - Three Year	0.00					0.00	EXCLUDE
343 Movers				10,383.44		10,383.44	
350.1 Transmission System Land	0.00		1,437.30	4,200.00		5,637.30	EXCLUDE
350.2 Transmission System Rights of Way	0.00		10,494.08	900.00	14,149.55	25,543.63	EXCLUDE
352 Transmission System Structures	0.00					0.00	
353 Transmission Substation Equipment	15,481.56	60,544.86	56,046.40	14,279.71	3,052.19	118,441.60	
354 Transmission Towers & Fixtures	0.00					0.00	
355 Transmission Poles & Fixtures	143,514.28	180,073.85	64,458.20	22,817.61	(1,127.02)	122,708.36	
356 Transmission Overhead Conductors	538,147.64	612,287.16	161,773.13	20,644.16	2,158.97	258,715.78	
357 Transmission Underground Conduit	0.00					0.00	
358 Transmission Underground Conductors	0.00					0.00	
359 Transmission Roads, Trails & Bridges	0.00					0.00	
360.1 Distribution System Land	0.00					0.00	
360.2 Distribution System Rights of Way	0.00			11,650.00		11,650.00	EXCLUDE
361 Distribution Structures	0.00					0.00	EXCLUDE
362 Distribution Substation Equipment	68,291.74	109,843.04	392,174.53	125,908.74	177,039.01	736,673.58	
364 Distribution Poles, Towers & Fixtures	691,541.67	1,316,117.54	1,609,689.64	1,010,787.20	876,604.76	4,121,657.47	
365 Distribution Overhead Conductors	770,033.42	1,764,578.55	2,603,247.04	2,171,698.80	1,870,487.04	7,639,978.01	
366 Distribution Underground Conduits	0.00			1,783.61	822.92	2,606.53	
367 Distribution Underground Conductors	245,465.04	412,040.77	398,063.53	336,112.59	161,299.38	1,062,051.23	
368.1 Line Transformers	506,162.68	619,045.66	1,804,480.07	1,032,757.80	432,471.65	3,382,592.50	
368.2 Line Transformers - Installations	408,276.41	658,232.62	1,039,678.02	961,010.60	386,100.87	2,636,745.70	
368.3 Industrial Transformer Station	0.00					0.00	
369 Customers' Services	208,716.78	394,617.01	523,906.17	3,211,117.90	301,520.94	4,222,445.24	
370.1 Meters	158,972.98	158,972.98	147,041.61	330,036.83	11,168.97	488,247.41	
370.2 Meters - Installations	139,361.19	139,361.19	134,481.96	1,404,240.21	28,197.59	1,566,919.76	
371 Misc. Property on Customers' Premises	12,738.26	25,856.33	31,403.57	21,388.47	13,068.13	78,978.24	
373.1 Municipal Street Lighting Equipment	69,482.21	115,869.37	139,905.33	154,688.08	98,648.36	439,628.93	
373.2 Street Lighting Underground Conductors	0.00					0.00	
Total Transm. & Dist Plant	4,013,174.99	6,605,521.70	9,247,903.31	10,942,467.56	4,429,030.79	27,211,748.37	
GENERAL PLANT							
389 General & Misc. Land	0.00					0.00	
390 General & Misc. Structures	0.00					0.00	
390.1 General Structures	0.00		72,455.25	47,739.11	284,911.68	405,106.04	
391.1 Office Furniture & Equipment	1,098.06	1,098.06	4,515.42		5,231.35	9,746.77	
391.2 Demonstration Equipment	0.00			8,822.60		8,822.60	
391.3 Computer Equipment	0.00					0.00	
391.4 Major Software	0.00					0.00	
392 Transportation Equipment	0.00					0.00	
393 Stores Equipment	0.00				60.63	60.63	
394 Tools, Shop & Garage Equipment	2,019.59	2,019.59	52,298.76	63,989.69	50,974.70	167,263.15	
395 Laboratory Equipment	2,252.07	2,252.07	3,558.83	3,063.23	3,899.92	10,521.98	
397 Communication Equipment	18,811.25	18,811.25	38,741.29	529,583.53	(116,054.97)	452,269.85	
398 Misc. General Equipment	0.00					0.00	
399 Other Tangible Property	0.00	14,972.64			1,194.52	16,167.16	EXCLUDE
Total General Plant	24,180.97	39,153.61	171,569.55	653,198.16	230,217.83	1,069,958.18	
TOTAL ADDITIONS	4,037,355.96	6,644,675.31	9,419,472.86	11,595,665.72	4,659,248.62	28,281,706.55	
Amounts not Used	36,989.13	53,053.41	141,554.11	112,811.81	68,711.55	339,141.75	
Net Bondable Additions	4,000,366.83	6,591,621.90	9,277,918.75	11,482,853.91	4,590,537.07	27,942,564.80	

UNITIL ENERGY SYSTEM, INC-CAPITAL DOC
BONDABLE ADDITIONS

ACCOUNT SUMMARY
FROM: 9/1/2006 TO: 09/30/2009

	8/31/2006 ADDITIONS	12/31/2006 ADDITIONS	12/31/2007 ADDITIONS	12/30/2008 ADDITIONS	9/30/2009 ADDITIONS	TOTAL ADDITIONS	
TRANSMISSION & DISTRIBUTION PLANT							
301. Organization	0.00				0.00	0.00	
303.0 Intangible Software - Five Year	29,152.11	30,243.75	82,741.28	63,474.71	42,974.79	190,282.42	EXCLUDE
303.1 Intangible Software - Three Year	0.00				0.00	0.00	EXCLUDE
343 Movers						0.00	
350.1 Transmission System Land	0.00					0.00	
350.2 Transmission System Rights of Way	0.00					0.00	EXCLUDE
352 Transmission System Structures	0.00					0.00	
353 Transmission Substation Equipment	984,309.37	984,309.37	30,098.55	9,709.33	0.00	39,807.88	
354 Transmission Towers & Fixtures	0.00					0.00	
355 Transmission Poles & Fixtures	105,563.39	105,945.16	129,779.29	3,604.85	42,887.42	176,653.33	
356 Transmission Overhead Conductors	88,815.73	95,115.35	18,983.39	83,267.56	48,738.64	157,289.22	
357 Transmission Underground Conduit	0.00					0.00	
358 Transmission Underground Conductors	0.00					0.00	
359 Transmission Roads, Trails & Bridges	0.00					0.00	
360.1 Distribution System Land	0.00					0.00	
360.2 Distribution System Rights of Way	0.00					0.00	
361 Distribution Structures	0.00					0.00	EXCLUDE
362 Distribution Substation Equipment	217,647.66	296,826.98	89,134.33	373,160.02	50,725.09	592,198.76	
364 Distribution Poles, Towers & Fixtures	332,948.41	615,896.20	1,106,211.76	805,233.90	607,116.80	2,801,510.25	
365 Distribution Overhead Conductors	425,253.88	666,511.08	1,136,709.20	659,313.40	504,782.15	2,542,061.95	
366 Distribution Underground Conduits	32,353.25	45,956.84	119,410.54	12,417.86	(2,411.21)	143,020.78	
367 Distribution Underground Conductors	425,570.06	535,343.52	793,331.75	313,170.29	140,022.79	1,356,298.29	
368.1 Line Transformers	279,217.49	379,893.88	401,968.92	330,113.57	143,621.72	976,380.60	
368.2 Line Transformers - Installations	274,128.25	415,896.66	594,257.71	567,226.13	166,022.84	1,459,275.09	
368.3 Industrial Transformer Station	0.00	0.00				0.00	
369 Customers' Services	168,281.28	280,779.11	212,294.43	269,611.76	130,395.41	724,799.43	
370.1 Meters	111,336.89	111,336.89	97,892.65	2,162,761.86	1,962.31	2,262,516.82	
370.2 Meters - Installations	130,712.42	131,557.05	174,376.66	1,135,306.54	30,980.50	1,341,508.33	
371 Misc. Property on Customers' Premises	91,699.78	111,370.06	26,984.36	86,103.51	33,279.36	166,037.51	
373.1 Municipal Street Lighting Equipment	81,741.11	100,604.29	91,059.62	46,695.33	(6,906.22)	149,711.91	
373.2 Street Lighting Underground Conductors	0.00	0.00	631.38			631.38	
Total Transm. & Dist Plant	3,778,731.08	4,907,586.20	5,105,865.82	6,921,170.62	1,934,192.39	15,090,083.95	
GENERAL PLANT							
389 General & Misc. Land	0.00					0.00	
390 General & Misc. Structures	1,500.00	1,500.00	13,533.00	8,850.73	299.35	22,683.08	
390.1 General Structures - Leasehold Imp.	0.00			0.00		0.00	EXCLUDE
391.1 Office Furniture & Equipment	0.00		1,274.69	6,043.26	15,135.40	22,453.35	
391.2 Demonstration Equipment	0.00					0.00	
391.3 Computer Equipment	2,304.00	2,304.00				0.00	
391.4 Major Software	0.00					0.00	
392 Transportation Equipment	0.00					0.00	
393 Stores Equipment	0.00				40.10	40.10	
394 Tools, Shop & Garage Equipment	11,913.55	11,913.55	21,797.32	34,271.37	2,299.07	58,367.76	
395 Laboratory Equipment	0.00	25,318.59	33,588.89	15,263.47	793.87	74,964.82	
397 Communication Equipment	62,996.34	62,996.34	53,197.85	444,070.43	68,930.91	566,199.19	
398 Misc. General Equipment	0.00		872.52			872.52	
399 Other Tangible Property	0.00	11,462.78			868.74	12,331.52	EXCLUDE
Total General Plant	78,713.89	115,495.26	124,264.27	508,499.26	88,367.44	757,912.34	
TOTAL ADDITIONS	3,857,444.97	5,023,081.46	5,230,130.09	7,429,669.88	2,022,559.83	15,847,996.29	
Amounts not Used	29,152.11	41,706.53	82,741.28	63,474.71	43,843.53	202,613.94	202,613.94
Net Bondable Additions	3,828,292.86	4,981,374.93	5,147,388.81	7,366,195.17	1,978,716.30	15,645,382.35	

**UNITIL ENERGY SYSTEM, INC
BONDABLE ADDITIONS
ACCOUNT SUMMARY**

DE 09-236
Unitil Energy Systems, Inc.
Staff 1-2(a) Attachment 1
Page 3 of 3

FROM: 8/31/06 TO: 9/30/2009

	8/31/2006 ADDITIONS	12/31/2006 ADDITIONS	12/31/2007 ADDITIONS	12/31/2008 ADDITIONS	9/30/2009 ADDITIONS	TOTAL ADDITIONS	
TRANSMISSION & DISTRIBUTION PLANT							
301 Organization	0.00	0.00	0.00	0.00	0.00	0.00	
303.0 Intangible Software - Five Year	66,141.24	68,324.52	212,364.01	159,536.52	96,342.27	470,426.08	EXCLUDE
303.1 Intangible Software - Three Year	0.00	0.00	0.00	0.00	0.00	0.00	EXCLUDE
343 Movers	0.00	0.00	0.00	10,383.44	0.00	10,383.44	
350.1 Transmission System Land	0.00	0.00	1,437.30	4,200.00	0.00	5,637.30	EXCLUDE
350.2 Transmission System Rights of Way	0.00	0.00	10,494.08	900.00	14,149.55	25,543.63	EXCLUDE
352 Transmission System Structures	0.00	0.00	0.00	0.00	0.00	0.00	
353 Transmission Substation Equipment	999,790.93	1,044,854.23	86,144.95	23,989.04	3,052.19	158,249.48	
354 Transmission Towers & Fixtures	0.00	0.00	0.00	0.00	0.00	0.00	
355 Transmission Poles & Fixtures	249,077.67	286,019.01	194,237.49	26,422.46	41,760.40	299,361.69	
356 Transmission Overhead Conductors	626,963.37	707,402.52	180,756.52	103,911.72	50,897.61	416,005.00	
357 Transmission Underground Conduit	0.00	0.00	0.00	0.00	0.00	0.00	
358 Transmission Underground Conductors	0.00	0.00	0.00	0.00	0.00	0.00	
359 Transmission Roads, Trails & Bridges	0.00	0.00	0.00	0.00	0.00	0.00	
360.1 Distribution System Land	0.00	0.00	0.00	0.00	0.00	0.00	
360.2 Distribution System Rights of Way	0.00	0.00	0.00	11,650.00	0.00	11,650.00	EXCLUDE
361 Distribution Structures	0.00	0.00	0.00	0.00	0.00	0.00	EXCLUDE
362 Distribution Substation Equipment	285,939.40	406,670.02	481,308.86	499,068.76	227,764.10	1,328,872.34	
364 Distribution Poles, Towers & Fixtures	1,024,490.08	1,932,013.74	2,715,901.40	1,816,021.10	1,483,721.56	6,923,167.72	
365 Distribution Overhead Conductors	1,195,287.30	2,431,089.63	3,739,956.24	2,831,012.20	2,375,269.19	10,182,039.96	
366 Distribution Underground Conduits	32,353.25	45,956.84	119,410.54	14,201.47	(1,588.29)	145,627.31	
367 Distribution Underground Conductors	671,035.10	947,384.29	1,191,395.28	649,282.88	301,322.17	2,418,349.52	
368.1 Line Transformers	785,380.17	998,939.54	2,206,448.99	1,362,871.37	576,093.37	4,358,973.10	
368.2 Line Transformers - Installations	682,404.66	1,074,129.28	1,633,935.73	1,528,236.73	552,123.71	4,106,020.79	
368.3 Industrial Transformer Station	0.00	0.00	0.00	0.00	0.00	0.00	
369 Customers' Services	376,998.06	675,396.12	736,200.60	3,480,729.66	431,916.35	4,947,244.67	
370.1 Meters	270,309.87	270,309.87	244,934.26	2,492,798.69	13,131.28	2,750,864.23	
370.2 Meters - Installations	270,073.61	270,918.24	308,858.62	2,539,546.75	59,178.09	2,908,428.09	
371 Misc. Property on Customers' Premises	104,438.04	137,226.39	58,387.93	107,491.98	46,347.49	245,015.75	
373.1 Municipal Street Lighting Equipment	151,223.32	216,473.66	230,964.95	201,383.41	91,742.14	589,340.84	
373.2 Street Lighting Underground Conductors	0.00	0.00	631.38	0.00	0.00	631.38	
Total Transm. & Dist Plant	7,791,906.07	11,513,107.90	14,353,769.13	17,863,638.18	6,363,223.18	42,301,832.32	
GENERAL PLANT							
389 General & Misc. Land	0.00	0.00	0.00	0.00	0.00	0.00	
390 General & Misc. Structures	1,500.00	1,500.00	13,533.00	8,850.73	299.35	22,683.08	
390.1 General Structures	0.00	0.00	72,455.25	47,739.11	284,911.68	405,106.04	
391.1 Office Furniture & Equipment	1,098.06	1,098.06	5,790.11	6,043.26	20,366.75	32,200.12	
391.2 Demonstration Equipment	0.00	0.00	0.00	8,822.60	0.00	8,822.60	
391.3 Computer Equipment	2,304.00	2,304.00	0.00	0.00	0.00	0.00	
391.4 Major Software	0.00	0.00	0.00	0.00	0.00	0.00	
392 Transportation Equipment	0.00	0.00	0.00	0.00	0.00	0.00	
393 Stores Equipment	0.00	0.00	0.00	0.00	100.73	100.73	
394 Tools, Shop & Garage Equipment	13,933.14	13,933.14	74,096.08	98,261.06	53,273.77	225,630.91	
395 Laboratory Equipment	2,252.07	27,570.66	37,147.72	18,326.70	4,693.79	85,486.80	
397 Communication Equipment	81,807.59	81,807.59	91,939.14	973,653.96	(47,124.06)	1,018,469.04	
398 Misc. General Equipment	0.00	0.00	872.52	0.00	0.00	872.52	
399 Other Tangible Property	0.00	26,435.42	0.00	0.00	2,063.26	28,498.68	EXCLUDE
Total General Plant	102,894.86	154,648.87	295,833.82	1,161,697.42	318,585.27	1,827,870.52	
TOTAL ADDITIONS	7,894,800.93	11,667,756.77	14,649,602.95	19,025,335.60	6,681,808.45	44,129,702.84	
Amounts not Used	66,141.24	94,759.94	224,295.39	176,286.52	112,555.08	541,755.69	541,755.69
Net Bondable Additions	7,828,659.69	11,572,996.83	14,425,307.56	18,849,049.08	6,569,253.37	43,587,947.15	

UNITIL ENERGY SYSTEMS, INC.

DE 09-236

DATA REQUESTS FROM COMMISSION STAFF - SET #1

PETITION TO ISSUE SECURITIES

Data Request Received: 12/7/09

Date of Response: 12/9/09

Request No. Staff 1-2

Witness: David Chong

Request:

Reference Chong testimony, page 6 of 16. The chart on that page states that \$16,696,000 of the funds will be used to repay short-term debt and \$2,754,000 will be for general corporate purposes.

- a. Please provide a list of the capital additions that are summarized account number on Schedule DLC-6.
- b. Please provide UES' most recent capital budget.
- c. Is it correct to say that the bondable additions are those capital additions placed in service subsequent to UES' last bond issuance? If not, please explain.
- d. Is it correct to say that the list of capital additions requested in subsection a. of this question represents the capital additions that have been funded with the short-term debt UES is now seeking to repay? If not, please explain.
- e. Please explain what is meant by "general corporate purposes."

Response:

- a.
To be provided.
- b.
See Staff 1-2 Attachment 1 for the capital budget for the fourth quarter of 2009 and for the fiscal year 2010.
- c.
Yes, the bondable additions in Schedule DLC-6 are those placed in service subsequent to UES' last bond issuance. The last bond issuance for UES was with capital additions through August 31, 2006.

d.

The capital necessary to finance capital expenditures is derived primarily from internally-generated funds, which consist of cash flows from operating activities. As needed, UES supplements internally-generated funds through short-term borrowings. Periodically, UES replaces portions of its short-term debt with long-term financings more closely matched to the long-term nature of its utility assets.

e.

The net proceeds of the \$15 million Bond offering in addition to the concurrent \$5 million equity contribution will be used as specified in the Sources and Uses table in Exhibit UES-2. The table shows approximately \$16.7 million of short-term debt (balance as of 9/30/09) being repaid and the remainder of the net proceeds applied to "general corporate purposes". In Exhibit UES-4, page 1, the general corporate purposes adjustment is to cash as described in footnote A. Thus, 'general corporate purposes' in this sense represents cash which may be used for a variety of lawful corporate purposes, including additional distribution utility capital expenditures and working capital. In this regard, as a result of the timing of the financing and when that cash proceeds will actually be received by UES (on or about March 15, 2010) the expectation is that the net proceeds will be used to pay down a higher short-term debt balance than was reported at 9/30/09 due to ongoing capital expenditures by UES in the approximate six-month period from the balance sheet date (9/30/09) and the closing and cash funding of the Bonds.

**UES Capital Budget
in \$000's**

Description	3 Months Ended 12/31/2009	Full Year 2010
Blankets:Electric	690.9	6,352.1
Communications:Electric	219.6	218.4
Distribution:Electric	1,986.1	7,307.2
Tools, Shop, Garage:Electric	16.5	162.0
Office:Electric	8.8	7.0
Substation:Electric	716.2	1,080.1
Transportation:Electric	0.0	0.0
Electric Totals:	3,638.1	15,126.9
Communications:General	1,476.1	453.5
Laboratory:General	3.5	14.7
Structures:General	32.5	30.0
General/Common Totals:	1,512.1	498.2
Totals:	5,150.2	15,625.0

